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Prime Minister's schedule, October 23

NIHON KEIZAI (Page 2) (Full)
October 24, 2006

10:30

Met with Advisor Nemoto at Kantei. Later, met with Deputy Chief Cabinet Secretary Suzuki.

13:01

Attended the Upper House plenary session.

14:07

Arrived at Kantei.

15:20

Met with Minister of Internal Affairs and Communications/State Minister in Charge of Postal Services Privatization Suga and his ministry's Administrative Management Bureau Director-General Ishida. After Ishida left, met with Japan Post President Ikuta and Japan Post Company President Nishikawa. Suga remained.

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16:02

Met ROK-Japan Cooperation Committee Chairman Nam and others, joined by former Chief Cabinet Secretary Fukuda, deputy director-general of the Japan-South Korea Cooperation Committee, and others. Afterwards, met with State Minister in Charge of Economic and Fiscal Policy Ota with Nemoto, Deputy Chief Cabinet Secretary Saka, and others present.

16:64

Handed a recommendation certificate in Diet to a candidate-to-be for the Kitakyushu mayoral election with Secretary General Nakagawa present. Afterwards, met Zentaro Kamei, who won the by-election for a Lower House seat in Kanagawa No. 16 District, and later met Kenji Harada, who won victory in the by-election for a Lower House seat in Osaka No. 9 District. Afterwards, attended a party executives' meeting.

17:34

Arrived at Kantei.

18:34

Met with President Saca of El Salvador.

19:10

Hosted a dinner party.

21:13

Arrived at his private residence in Tomigaya.

4) Gov't to consider permanent legislation for SDF's overseas missions: Abe

ASAHI (Page 4) (Abridged)
October 24, 2006

Prime Minister Abe stated in a plenary session of the House of Councillors yesterday that the government, based on a national debate, would consider establishing a permanent law allowing Japan to send the Self-Defense Forces overseas. This underscores that the government will expedite its study based on the ruling Liberal Democratic Party's draft plan. In the Abe cabinet, however, there is a cautious view, as Defense Agency Director General Kyuma deems it "technically difficult" to make a law that covers everything. There are objections also in the New Komeito party, the LDP's coalition partner. The government and the ruling coalition will likely face rough going in coordination.

"We should respond flexibly to the international community's efforts, and Japan will need to push ahead with international peace cooperation in an appropriate way." With this, Abe stressed the necessity of establishing a general law instead of creating a special measures law for each specific case. Abe was replying to a question asked by Keishiro Fukushima (LDP).

The LDP's draft plan features easing Japan's rules of engagement (ROE) for SDF personnel's weapons use, making it possible for Japan to send SDF troops overseas even without a United Nations resolution or an international organization's request unlike before and expanding the scope of SDF activities to the task of maintaining security. It expands the government's constitutional interpretation to the furthest possible limit.

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Meanwhile, Kyuma has taken the position that the SDF can undertake overseas activities under a general law. However, he noted the fact that Japan has so far established specific laws for peacekeeping operations, Iraq, and antiterrorism. "I wonder if we can easily make a law that will cover everything." He recounted that each case has its own requirements, such as a United Nations resolution or Diet approval. "We will face difficult problems on a case-by-case basis," he noted.

The New Komeito is wary about establishing a permanent law. The party is trying to slow down the push by the premier and the LDP.

5) MSDF to tighten security for cargo inspections

ASAHI (Page 1) (Abridged)
October 24, 2006

In response to the United Nations Security Council's recent adoption of a North Korea sanctions resolution, the government decided yesterday to step up the Japan Coast Guard's on-the-spot inspections and the Maritime Self-Defense Force's surveillance activities for the time being. That is because the United States will presumably take time to decide on a course of action for cargo inspections. For the time being, the government will not recognize the North Korean nuclear test as a regional contingency, which is a precondition needed for the MSDF to carry out ship inspections. The government will wait and see the United States' action and North Korea's attitude. The government will also forego special legislation that is intended for Japan to back up maritime intercept operations in the rear.

US Secretary of State Rice recently visited four countries, where she stressed that the United States had no intention of escalating the crisis. Rice told their leaders that the United States would only identify and inspect dangerous ships. "The US government will lay emphasis on diplomacy for the time being," a senior Foreign Ministry official said. "It will take time to study how to mobilize US forces for cargo inspections," the official added.

The government will therefore step up the JCG's on-the-spot ship inspections for the time being. The JCG may inspect ships in contiguous waters up to 12 nautical miles from the rim of Japan's territorial waters if they are suspected of violating Japan's laws and ordinances relating to customs clearance and immigration control.

6) Coast guard summit to kick off today; 6 countries to confirm boosting cooperation against terrorism, smuggling

NIHON KEIZAI (Page 42) (Abridged)
October 24, 2006

The heads of coast guard agencies from six northern Pacific countries, including Japan, South Korea, China, the United States, and Russia, will meet in Hainan, China, for the North Pacific Coast Guard Summit on a four-day schedule from today. Hiroki Ishikawa, commandant of the Japan Coast Guard (JCG), will represent Japan. The summit will adopt a joint declaration on its last day. Amid rising tensions in the region over North Korea's nuclear test, the summit is expected to confirm boosting multilateral cooperation against seaborne terrorism and smuggling.

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7) Seiron (political view) column: DPJ needs to come up with alternative for antiterrorism measures

SANKEI (Page 5) (Excerpts)
October 24, 2006

Hiroyuki Kano

The Maritime Self-Defense Force's (MSDF) training ship Kashima and two escort ships were supplied 600 kiloliters of oil (worth 30 million yen) free of charge from the French Navy in July 2005 when they called at Port de Brest in western France during their ocean navigation training. This refueling came in return for the MSDF's refueling services going on in the Indian Ocean under the Antiterrorism Special Measures Law.

For some five years since December 2001, the MSDF has refueled vessels from the United States, Pakistan, France, Britain, and other countries taking part in antiterrorism operations in Afghanistan and efforts to prevent the smuggling of weapons and narcotics. France is not the only country that has rewarded Japan for its refueling services, which enable vessels to engage in long activities without calling at ports.

The amendment to extend the Antiterrorism Special Measures Law for another year cleared the Lower House by a majority vote from the ruling parties and others on Oct. 19. Deliberations on the amendment began in the Upper House yesterday. The amendment is likely to be approved as early as late this week.

The Democratic Party of Japan (Minshuto) is opposed to the amendment. Tadashi Inuzuka of Minshuto raised this question at the Upper House plenary session yesterday: "Our country is not a gas station. We should put more emphasis on such measures as fighting poverty and unemployment, which are viewed as the causes of terrorism. Isn't extending Antiterrorism Special Measures Law piecemeal reflecting the lack of a strategy against terrorism?"

Minshuto was opposed to the Antiterrorism Special Measures Law, but it endorsed the dispatch of Self-Defense Forces troops. When the same law was extended last year, then Minshuto President Seiji Maehara tried to unify views in the party to support the extension, but he gave up doing so in the end.

As the primary reason why the party is opposed to the extension, Minshuto Policy Research Council Chairman Takeaki Matsumoto cited the lack of a government explanation. But can the party really convince the voters with this approach?

8) In recent China-DPRK dialogue, North Korean leader stated he would reserve a second nuclear test and return to six-party talks "premised on America's concessions"

ASAHI (Page 1) (Full)
October 24, 2006

North Korean General Secretary Kim Jong Il's remarks made in the Oct. 19 meeting with Chinese State Councilor Tang Jiaxuan in Pyongyang came out through stories revealed by Japanese, Chinese, and South Korean sources familiar with foreign affairs. According to them, Kim said that he would reserve a second nuclear test and return to the six-party talks, and he referred to the possibility of

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abandoning the nuclear programs after realization of peaceful co-existence with the United States, but he also set preconditions, namely, America's concessions. The Chinese side took all these positively, but Japan and the US deem that there was no change in Kim's previous position.

According to an account by Chinese Vice Foreign Minister Wu Dawei given to concerned countries, Kim said of the possibility of a second nuclear test this way: "At this point, we have no plan to conduct it. But if the US continues putting pressure on us, we then would have no choice but to conduct it."

On the six-party talks, Kim reportedly made such remarks as, "We're not opposed to the six-party framework and we're willing to return to the talks" and "It's not our position that we won't come back to the six-party talks unless the financial sanctions issue is completely resolved, and we think a certain level of guarantee relating to the sanctions is necessary, and if such guarantee is secured, we'll rejoin them." He then implied that if the US shows some sort of willingness to lift or ease the sanctions, and even though the sanctions are not removed, it would be possible for his country to return to the talks. On the other hand, Kim reportedly stated, "The major obstacles to the comeback to the talks are the financial sanctions. The stage for the comeback has yet to be prepared at present," indicating that his country would not respond to the call for the unconditional return to the talks.

On the possibility of abandoning the nuclear programs in the future, Kim reportedly stated: "It is the late President Kim Il Sung's instructions to denuclearize the Korean Peninsula, and doing so is what I am aiming at. We hope we will co-exist with the US peacefully. If peaceful co-existence of the DPRK and the US comes true, we won't have to have nuclear arsenals."

Reportedly, Kim expressed his distrust of the US and pointed out: "The US endorsed the joint statement released by the six-party talks in September 2005, but it imposed financial sanctions. We have to say we doubt of its willingness to observe the joint statement."

In response, Tang reportedly told Kim: "North Korea is placed in a severe situation. The United Nations Security Council (UNSC), too, adopted a sanctions resolution. The UN member states are obligated to implement the resolution. China, as well, must implement it." Also, Tang reportedly briefed Kim on his earlier visit to the US and conveyed him that the US' position is to commit itself to security of Japan and South Korea in line with the obligations mentioned in the treaties with them.

9) Wu to Aisawa: "We cannot be optimistic about resuming six-party talks"

SANKEI (Page 2) (Full)
October 24, 2006

Toshu Noguchi, Beijing

Chinese Vice Foreign Minister Wu Dawei met with visiting Lower House Steering Committee Chairman Ichiro Aisawa on Oct. 23. Touching on the Oct. 19 meeting between Chinese State Councilor Tang Jiaxuan and North Korean leader Kim Jong Il, Wu said: "We cannot be optimistic about resuming the six-party talks and having North Korea abandon its nuclear programs." Wu also denied some reports that Kim Jong Il

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had apologized for the nuclear test.

According to Aisawa, Tang criticized the North's nuclear test in strong words, saying, "We will not tolerate North Korea possessing nuclear weapons." As seen from the fact that China had already declared, "North Korea recklessly conducted a nuclear test," Beijing is believed to have responded sternly to Pyongyang. In reaction, Kim Jong Il neither rebutted nor offered any apologetic words, according to Wu.

Speaking of a response to North Korea, which is at the crossroads to becoming a nuclear power, Wu indicated that China would maximum efforts to bring North Korea back to the joint statement, released in the six-party talks last September.

Wu clearly rejected the idea of holding talks among the five countries excluding North Korea, saying: "The approach might give the North an excuse to leave the six-party framework. It's not good."

There have been reports that Kim Jong Il had indicated that the North had no plan to conduct a second nuclear test. Aisawa did not touch on such reports, however.

10) Government mulls taking initiative in holding five-party meeting on North's nuke problem

NIHON KEIZAI (Page 2) (Full)
October 24, 2006

Reflecting no prospects in sight for the six-party talks on North Korea's nuclear problem to resume, the government yesterday started discussing the possibility of Japan taking the initiative in holding a five-party meeting of representatives from the five member nations of the six-party talks, excluding North Korea. The government aims to hold a meeting prior to the Asia-Pacific Economic Cooperation (APEC) foreign ministerial in Vietnam in mid-November. The decision stems from the judgment that it is necessary to continue to send a clear-cut message to North Korea in an effort to persuade the North to give up a second nuclear test and to scrap its nuclear development program.

Member nations of the six-party talks are Japan, the United States, South Korea, China, Russia, and North Korea. The government's main purpose is to have North Korea return to the six-party talks immediately and unconditionally, but it also aims to avoid a vacuum from being created in policy coordination among the member countries should the situation reach a stalemate.

A senior Foreign Ministry official said yesterday: "It is necessary for the five nations to work together and make arrangements to apply pressure on the North."

In the meeting held in Seoul by the foreign ministers of Japan, the US, and South Korea, the initiative of a five-nation ministerial meeting emerged, with an eye on the upcoming APEC meeting. Japan intends to propose a representative meeting to make preparations for the foreign ministerial. China, however, has indicated a negative view. In addition, there is a strong possibility that North Korea will react fiercely. Keeping such circumstances in mind, Japan may propose a three-party representatives meeting by Japan, the US, and South Korea, instead of a five-party meeting.

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11) Prime Minister Abe: "Six-party talks are a realistic framework"

NIHON KEIZAI (Page 2) (Full)
October 24, 2006

In a House of Councillors' plenary session yesterday, Prime Minister Shinzo Abe stressed his determination to have North Korea scrap its nuclear development program by diplomatic efforts with the six-party talks as the main stage. Abe said:

"In order to resolve the problem in a peaceful manner, the six-party talks are the most realistic framework for now. We must make utmost efforts to resume the talks early and to make North Korea a nuclear-free nation."

12) Chinese Premier Wen Jiabao praises three nonnuclear principles

MAINICHI (Page 2) (Full)
October 24, 2006

Kazuo Iida, Beijing

Chinese Prime Minister Wen Jiabao met yesterday with Yotaro Kobayashi, Fuji Xerox supreme adviser and chairman of the Japanese side of the Japan-China Friendship 21 Century, which is made up of experts of the two countries. Referring of the history issue, Wen said: "We are not fixated on history. It is by looking squarely at history that we are able to look to the future." The leadership of President Hu Jintao might have shown a flexible stance toward the history issue.

Wen also stated:

"Amid the tension increasing in the region due to North Korea's

nuclear test, Prime Minister Abe's statement that Japan will uphold its three nonnuclear principles is in the interest of Asia and the world."

South Korean Vice Foreign Minister concerned about Japanese officials' remarks on Japan's nuclear option

Yuta Nakazawa, Seoul

Yu Myong Hang, the first vice minister of the South Korean Foreign Affairs and Trade Ministry, yesterday gave an interview to a group of Japanese reporters, including one from the Mainichi Shimbun. During the interview, Yu expressed concern about the fact that Japan's Liberal Democratic Party policy chief Shoichi Nakagawa and Foreign Minister Taro Aso had proposed that Japan debate a nuclear option. He stated: "Their remarks are evoking a reaction in our country, as well. If Japan gets nuclear weapons, the peace framework of Northeast Asia will collapse."

Asked about Japan's unilateral sanctions against North Korea, Yu responded: "It will not do to be too severe. It is necessary to leave the door open for North Korea to return." He also underscored that South Korea would basically maintain its policy measures, including Mt. Kumgang tourism.

13) Beijing applies pressure on anti-Japanese group planning to land on Senkaku Islands

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SANKEI (Page 2) (Full)
October 24, 2006

Kaori Fukushima, Beijing

Prior to a departure for the Senkaku Islands, known as Diaoyu in China, by the Action Committee for Defending the Diaoyu Islands (ACDDI), an anti-Japanese Hong Kong group claiming China's sovereignty over the disputed islands, Chinese authorities advised the ACDDI to cancel their planned visit to the isles. Chinese authorities did not issue permits to enter Hong Kong to 9 of the 10 mainland China members planning to board the protest boat. The number of members boarding the vessel also dropped from the initial 40 to 26, a Hong Kong newspaper reported on Oct. 23.

According to the paper, China's central government liaison office in Hong Kong several days before the departure urged the concerned ACDDI members to put high priority on overall Japan-China relations. The step seems to reflect Beijing's wariness about the group's move dampening Japan-China relations, which have been showing signs of improvement. The protest ship is scheduled to arrive in waters near the Senkaku Islands on Oct. 26. Members are planning to land on the disputed isles, as well.

14) Ruling parties to shelve conspiracy legislation in current Diet session in line with Abe's decision to give top priority to Basic Education Law amendments

YOMIURI (Page 1) (Excerpts)
October 24, 2006

The ruling coalition decided yesterday to give up a plan to submit to the current Diet session a bill amending the Organized Crime Punishment Law to make it a criminal offense to conspire to commit a crime, even if it is never carried out. The plan to enact that bill was expected to throw the Diet into turmoil, with opposition parties, unhappy with the contents, boycotting deliberations. For this reason, the ruling parties decided to put priority on other bills, including one to amend the Basic Education Law. The ruling parties will seek to enact the conspiracy measure in next year's regular Diet session or later.

Prime Minister Shinzo Abe told LDP Diet Affairs Committee Chairman Toshihiro Nikai and others yesterday: "We will give top priority to a bill amending the Basic Education Law. I will leave the rest to those who are in charge." Nikai and others discussed the matter with

the Lower House Judicial Affairs Committee ruling party directors and reached a conclusion that revising the Organized Crime Law would be difficult. At a meeting of the Judicial Affairs Committee held last night, the ruling parties proposed deliberating instead a bill to revise the Trust Law completely for the first time in 84 years.

Minshuto (Democratic Party of Japan) initially recognized the need to establish conspiracy charges and discuss with the ruling parties ways to limit the scope of such a law in this year's ordinary Diet session. The party, however, decided to oppose the bill before the start of the current Diet session, reversing its policy direction. Minshuto planned to block deliberations on Organized Crime Law revision by prolonging deliberations on the bill amending the Trust Law.

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15) LDP to start full-scale coordination for letting 12 of the former postal rebels rejoin LDP

YOMIURI (Page 2) (Full)
October 24, 2004

Asked by reporters last night about how he would treat "former postal rebels," Prime Minister Shinzo Abe responded:

"The Liberal Democratic Party (LDP) executives, including the secretary general, will discuss the issue of how to treat those who

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voted for me in the prime ministerial election and have similar views as in my policy speech."

The former rebels left or were removed from the LDP because they had voted against the government's postal-privatization bill. Abe revealed in his remarks that the LDP leadership would begin full-scale coordination on the matter.

The LDP executive will likely prioritize efforts to have 12 independent lawmakers, including former trade minister Takeo Hiranuma, who voted for Abe in the September prime ministerial election. They intend to determine a good timing for having them return to the LDP, while keeping a close eye on public opinion.

At a press conference yesterday, Secretary General Hidenao Nakagawa stressed:

"If they return to the party, I want them to fully support the party's campaign pledges for last year's House of Representatives election, as well as Prime Minister Abe's policy speech."

16) Yoshiro Mori to become honorary chairman of Machimura faction

SANKEI (Page 5) (Excerpts)
October 24, 2006

Nobutaka Machimura, who heads the largest faction in the Liberal Democratic Party (LDP), met yesterday with former Prime Minister Yoshiro Mori in Tokyo. In the meeting, Machimura asked Mori to serve as honorary chairman of his faction (Seiwa Policy Study Group). Mori then accepted the offer. Former Education Minister Nariaki Nakayama has been informally named secretary general of the faction. The faction will formally decide on the lineup of its executive officers at a general meeting on Oct. 26. It is now decided that the LDP's largest faction will be run by a tripartite system of Mori, Machimura, and Nakayama. The fact that the faction still relies on Mori has become clear since some have called for having Mori serve as head of the faction's election taskforce for next summer's House of Councillors election.

After the meeting, Machimura told reporters:

"The Abe administration made a good start, but it is still in a delicate situation. In order to give full support for the government as the faction from which the prime minister hailed, Mr. Mori's leadership is absolutely necessary."

Mori quoted as telling Machimura: "I am determined to devote my efforts to the faction as one member." But he reportedly accepted the offer at the end.

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17) LDP wins two Lower House by-elections; DPJ members criticizing leadership

NIHON KEIZAI (Page 2) (Full)
October 24, 2006

Following the two defeats in the recent Lower House by-elections, the Democratic Party of Japan (DPJ = Minshuto) will review the election strategy and confer on how to deal with the Diet session and local elections from now on at an executive meeting and a permanent staff meeting today.

Party head Ichiro Ozawa did not turn up at the Diet and the party headquarters yesterday, but he told Secretary General Yukio Hatoyama by phone: "Everything will depend on the upcoming Upper House election. I want you to give orders to party members to return to basic election principles."

The leadership is gearing up to counter the Liberal Democratic Party (LDP) tooth and nail in the Diet session. Azuma Koshiishi, chairman of the DPJ caucus in the Upper House, during yesterday's Upper House members' plenary meeting stressed, "I want to make efforts to re-solidify our posture in the run-up to the next elections. The DPJ plans to hold a meeting of the secretaries general of the opposition parties within this week to make sure they will work together in opposing a bill amending the Basic Education Law, legislation the ruling parties characterizes as the most important one.

However, following the outcome of the by-elections, some members are criticizing Ozawa's election campaign method as being old-fashioned, according to a certain veteran member. Others are taking a hands-off stance with one mid-ranking member replying to a reporter, "Ask the leadership about the election."

In dealing with the Diet session, Ozawa is taking a flexible stance toward a bill upgrading the Defense Agency to ministry status and a national referendum bill, which the ruling camps characterize as key legislation, revealing differences in views within the party. Some are concerned about the future of the party.

18) Government's draft strategy for Japan to take the lead in setting international standards; Proposals include establishment of school to nurture competent negotiators

ASAHI (Page 2) (Full)
October 24, 2006

The government has drafted a comprehensive strategy for the public and private sectors to pursue in making Japanese standards for industrial products global standards. It will present the draft to the expert council of the Intellectual Property Strategic Headquarters (chaired by Prime Minister Abe) tomorrow and have it adopted before year's end.

Saying that "those who control standards control the market," the draft focuses on nurturing human resources, including establishing a school to nurture competent negotiators for conferences on international standards. The idea is to strengthen the nation's international competitiveness in line with the prime minister's economy growth strategy.

The draft stresses, "We are in an age in which we cannot capture a

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market without meeting global standard, regardless of how good our products are." It urges industrial circles: "We may have become accustomed to the idea that standards are something brought in from

abroad and that skillfully adapting to them is enough. Japan still has little presence in the arena of setting international standards."

Fierce competition is seen in such areas as information technology (IT) at conferences of international standardization organizations consisting of industrial representatives. In particular, China, European countries, and the US are showing a desire to make their own technologies the standards.

The draft incorporates a plan to set up a global standards human resources school under government leadership to nurture personnel equipped with technical knowledge, foreign language ability, negotiating skill, and human networks. Those who have experience in setting standards will be invited as lecturers.

The package urges persons in industrial circles to actively serve as chairman or secretary at international standardization conferences. In order to deepen understanding toward the standardization strategy, the government will compile a collection of case studies and hold symposiums.

In compiling a budget, it will also propose intensively distributing research funds to areas where international standardization could prompt industrial development. The prime minister views intellectual property strategy as the key to his growth strategy. He will characterize this budget as new investment that is different from public works projects, which tend to draw criticism as pork-barrel largesse.

SCHIEFFER